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Financing of the United Nations Mission for the Referendum in Western Sahara

Financial performance report for the period from 1 July 1999 to 30 June 2000 and budget for the period from 1 July 2001 to 30 June 2002 of the United Nations Mission for the Referendum in Western Sahara

Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 1999 to 30 June 2000 (A/55/764) and on the proposed budget for the 12-month period from 1 July 2001 to 30 June 2002 (A/55/794). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

2. MINURSO was established by the Security Council in its resolution 690 (1991) of 29 April 1991 for an initial period of six months. Since then, its mandate has been extended by the Security Council in various resolutions, the latest being resolution 1342 (2001) of 27 February 2001, by which the Council further extended the mandate of the Mission until 30 April 2001.

Financial performance report for the period from 1 July 1999 to 30 June 2000

3. In its resolution 53/18 B of 8 June 1999, the General Assembly appropriated an amount of $52,124,911 gross ($48,173,311 net) for the maintenance of MINURSO for the period from 1 July 1999 to 30 June 2000, inclusive of the amount of $2,593,381 for the support account and the amount of $508,530 for the United Nations Logistics Base at Brindisi, Italy (UNLB). The full projected cost of the

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Mission for this period was $57,841,400, including projected voluntary contributions of $5,716,500 (A/55/764, table 1). Expenditures for the period totalled $49,211,500 gross ($45,860,500 net), resulting in an unutilized balance of $2,913,400 gross ($2,312,800 net) or 6 per cent of the total appropriation. Full reported expenditure amounted to $55,710,000, including $6,498,500 in voluntary contributions (ibid.).

4. The unutilized balance resulted mainly from reduced requirements under military personnel ($586,500), civilian personnel ($1,772,700) and staff assessment ($600,600); offset by overexpenditure under operational requirements ($464,400).

5. With regard to reductions under civilian personnel, the Advisory Committee notes from the performance report (A/55/764, annex II, para. 6) that this was mainly due to reduced international staff costs ($1,647,000), caused by a higher proportion of mission appointees among international staff (87 per cent) than was budgeted (65 per cent), combined with lower grade levels of international staff. The Committee also notes that the Mission's experience with regard to mission appointees has been taken into account in the preparation of the budget for 2000-2001 and proposed budget for 2001-2002.

6. In connection with operational requirements, the Advisory Committee notes from the performance report that there was an underexpenditure of $1,255,500 owing to the lower cost of air operations (ibid., annex II, para. 13).

7. Regarding training programmes, the Advisory Committee notes that while this item is mentioned in paragraph 7 of annex II of the performance report, it is not indicated in annexes I and IV of the same report. Upon enquiry, the Committee was informed that this was due to the inconsistency in budget presentation for training programmes for the financial periods ending 30 June 2000. The Committee was also informed that, in future, performance reports for the periods from 1 July 2000 onwards would be more transparent as training programmes have been identified more clearly.

8. The action to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 1999 to 30 June 2000 is set out in the performance report (A/55/764, para. 13). **The Advisory Committee recommends that the unutilized balance of $2,913,400 gross ($2,312,800 net) for the period from 1 July 1999 to 30 June 2000 be credited to Member States in a manner to be decided by the General Assembly.**

Information on performance for the current period

9. The Advisory Committee was informed that, as at 31 January 2001, the amount of $6.1 million was reimbursed for troop costs for the period 1 September 1991 to 31 August 2000 and the amount owed for the period 1 September 2000 to 31 January 2001 was $115,337 (A/55/794, para. 12).

10. With regard to reimbursement for contingent-owned equipment, the Advisory Committee was informed that the amount was $852,842; the estimated amount owed as at 31 January 2001 was $4.3 million and unliquidated obligations for contingent-owned equipment amounted to $2.4 million. As regards death and disability, as at 31 January 2001, 11 claims have been settled amounting to $315,384, the balance of obligations amounts to $546,636 and one claim was remaining.

11. The Advisory Committee was informed that, as at 28 February 2001, the cash position of the Mission amounted to $0.8 million. Assessment on Member States for the period from 29 April 1991 to 28 February 2001 amounted to $438.9 million, payments received totalled $344.7 million and the amount outstanding was $94.2 million. Total unliquidated obligations for the period from 1 July 1999 to 30 June 2000, as at 31 January 2001, were $1,110,000 ($317,200 for Governments and $892,800 for others) and current loans were $39.6 million (United Nations Assistance Mission for Rwanda (UNAMIR) $8.8 million and United Nations Mission in Haiti (UNMIH) $30.8 million). Upon enquiry as to whether, in view of the loan from UNMIH to MINURSO, troop contributors to UNMIH had been paid, the Committee was informed that all payments to troop contributors have been made for UNMIH except from one troop-contributing country.

Cost estimates for the period from 1 July 2001 to 30 June 2002

12. As indicated in the report of the Secretary-General on the budget of the Mission (A/55/794, para. 1), an amount of $48,849,600 gross ($45,280,800 net) has been requested for the maintenance of MINURSO for the 12-month period from 1 July 2001 to 30 June 2002. This request represents a 5 per cent increase ($2,238,000) in gross terms in relation to the apportionment for the current period ending 30 June 2001. Voluntary contributions for the period are estimated at $5,656,500. The proposed budget reflects increases of $2,830,100 or 27 per cent, in operational costs and $47,000, or 260 per cent, in other programmes related to increased requirements for the training of staff, offset by decreases of $202,200, or 3 per cent, in military personnel costs, $166,900, or 1 per cent, in civilian personnel costs and $270,000, or 7 per cent, in staff assessment (ibid., table 1).

13. The proposed staffing of the Mission for the 2001-2002 budget period, as for the 2000-2001 budget period, comprises 81 civilian police, 300 international and 113 local staff. The Advisory Committee notes from the proposed budget report that, as in the 2000-2001 period, the estimated international and local staff costs for the period from 1 July 2001 to 30 June 2002 reflect the application of vacancy factors of 30 per cent for Professional staff, 10 per cent for General Service and Field Service staff and 5 per cent for local staff (ibid., annex I.C, para. 10).

14. As indicated in the report of the Secretary-General to the Security Council of 20 February 2001 (S/2001/148, para. 8 and annex I), a total of 131,038 appeals had been received by the Mission following the issuance of the first part of the provisional voter list in July 1999. Because of political differences among the parties, the Mission could not complete the appeals process. In this connection, the Advisory Committee recalls the discussion in the same report (ibid., para. 23), in which the Secretary-General recommended that the Council extend the mandate of MINURSO for a period of two months, until 30 April 2001, in order to see whether the Government of Morocco was prepared to offer or support some devolution of authority for all inhabitants. Failing such offer or support, MINURSO will be directed to begin hearing the pending appeals from the identification process on an expedited basis, without regard as to how long it might take to complete them.

15. Upon enquiry, the Advisory Committee was informed that the full cost of processing the appeals was not included in the estimates and that should it be necessary, the Secretary-General may have to request supplementary estimates

should the appeals process be resumed in full and the initial proposals for 2001-2002 prove insufficient. **In view of the consistent instances of underexpenditure for the Mission, the Advisory Committee expects that, before requesting supplementary estimates, all efforts should be made to absorb, if possible, the additional cost for the appeals process.**

16. The Advisory Committee notes from the proposed budget (A/55/794, annex I.C, paras. 12, 15 and 16) that the bulk of the increase of $2.8 million under operational expenditure is mainly for premises/accommodation, air operations, the replacement of 76 vehicles and the purchase of three United Nations-owned ambulances previously provided under contingent-owned equipment arrangements. The Advisory Committee also notes that the replacement of vehicles and other items such as office furniture is mainly due to obsolescence. The proposed budget provides details of purchase of other items (ibid., annex II.C). The Advisory Committee did not receive information on the Mission's inventory. Upon enquiry, the Committee was informed that the Mission had experienced difficulties with the field assets control system (FACS) and that, in order to resolve these difficulties, a staff member from Headquarters had assisted in training mission staff.

17. The Advisory Committee also notes from the proposed budget that the Mission's aircraft fleet of three medium utility MI-8 helicopters and three medium passenger/cargo AN-26 fixed-wing aircraft will remain unchanged (ibid., annex I.C, para. 17). The Committee further notes from the proposed budget that the monthly hours for the three helicopters will remain unchanged and that, in the case of the fixed-wing aircraft, the proposed budget is based on 80 block/extra hours each compared to 85 block/extra hours each for the current period (ibid., annex II). Upon enquiry as to the reasons for the increase in costs for air operations ($1,457,100), the Advisory Committee was informed that this was due to the signing of a new contract and an increase in the cost of aviation fuel ($0.38 per litre compared with $0.34 per litre for helicopters for the current period and 0.38 per litre compared with $0.30 per litre for fixed-wing aircraft for the current period).

18. In connection with training, the Advisory Committee notes from the proposed budget (ibid., annex II.A) that provision has been made ($65,000) to train 11 staff members. **The Advisory Committee recommends that, in future, the number of staff trained or budgeted for training and the area of training for the previous period be given.**

19. The actions to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2001 to 30 June 2002 are set out in the proposed budget (A/55/794, para. 3). **Subject to its observations above, the Advisory Committee recommends that the amount of $48,849,600 gross ($45,280,800 net) be approved for the maintenance of MINURSO for the 12-month period from 1 July 2001 to 30 June 2002 and that the amount be assessed at a monthly rate of $4,070,800 gross ($3,773,400 net) should the Security Council decide to extend the mandate of MINURSO beyond 30 April 2001.**